

ILLINOIS POLLUTION CONTROL BOARD  
February 5, 2015

MARATHON PETROLEUM )  
COMPANY, LP )  
Diesel Oxidation Catalyst System (Property )  
Identification Number: 05-1-34-021-000 )  
 )  
Petitioner, )  
 )  
v. ) PCB 15-131  
 ) (Tax Certification – Air)  
ILLINOIS ENVIRONMENTAL )  
PROTECTION AGENCY, )  
 )  
Respondent. )

ORDER OF THE BOARD (D. Glosser):

On December 31, 2014, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify a facility of Marathon Petroleum Company, LP (Marathon) as a “pollution control facility” for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2012); 35 Ill. Adm. Code 125. Marathon’s Diesel Oxidation Converter (DOC) is associated with Marathon’s Robinson petroleum refinery, located at 400 South Marathon Avenue, Robinson, Crawford County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that Marathon’s DOC for converting the exhaust from the diesel engine into carbon dioxide into water is a pollution control facility.

**LEGAL FRAMEWORK**

Under the Property Tax Code, “[i]t is the policy of this State that pollution control facilities should be valued, at 33 1/3% of the fair cash value of their economic productivity to their owners.” 35 ILCS 200/11-5 (2012); *see also* 35 Ill. Adm. Code 125.200(a)(2). “For tax purposes, pollution control facilities shall be certified as such by the Pollution Control Board and shall be assessed by the Department [of Revenue].” 35 ILCS 200/11-20 (2012); *see also* 35 Ill. Adm. Code 125.200(a). Under the statute, the Board determines if the facilities are pollution control facilities; however, the Board is not authorized to assess a value of those facilities.

Under Section 125.202 of the Board’s procedural rules, a person may submit an application for tax certification to the Agency. *See* 35 Ill. Adm. Code 125.202. If the Agency receives a tax certification application, the Agency must file with the Board a recommendation on the application, unless the applicant withdraws the application. *See* 35 Ill. Adm. Code 125.204(a). Among other things, the Agency’s filing must recommend that the Board issue or deny tax certification. *See* 35 Ill. Adm. Code 125.204(a)(4). If the Board finds “that the claimed facility or relevant portion thereof is a pollution control facility . . . , the Pollution Control Board

. . . shall enter a finding and issue a certificate to that effect.” 35 ILCS 200/11-25 (2012); *see also* 35 Ill. Adm. Code 125.216(a).

### **AGENCY RECOMMENDATION**

The Agency states that it received a tax certification application from Marathon on November 25, 2014.<sup>1</sup> Rec. at 1. On December 31, 2014, the Agency filed a recommendation with the Board, attaching Marathon’s application (Rec. Exh. A). The Agency’s recommendation identifies the facility at issue:

The installation of a Diesel Oxidation Converter (“DOC”) system to an engine component of the facility’s storm-water system. Specifically, the DOC system described in the application is a flow-through type of catalyst technology that was selected to replace an existing muffler used on the diesel engine of a storm water pump designated No. 79GE-96D. *Id.* at 1-2.

The Agency further describes the facility as “designed ‘to reduce carbon monoxide (CO), hydrocarbons (HC) and diesel particulate matter (PM) and estimates a seventy percent (70%) reduction in CO emissions from the equipment.’” Rec. at 2.

The Agency recommends that the Board certify that the DOC is a pollution control facility as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2012)) with the primary purpose “to prevent or reduce air pollution”. Rec. at 3.

### **TAX CERTIFICATE**

Based upon the Agency’s recommendation and Marathon’s application, and the Board’s technical review, the Board finds and certifies that Marathon’s DOC identified in this order is a pollution control facility under the Property Tax Code (35 ILCS 200/11-10 (2012)). The Board makes no finding regarding the assessed value of that facility. Under Section 11-25 of the Property Tax Code, the effective date of this certificate is “the date of application for the certificate or the date of the construction of the facility, which ever is later.” 35 ILCS 200/11-25 (2012); *see also* 35 Ill. Adm. Code 125.216(a). Section 125.216(d) of the Board’s procedural rules states that the Clerk “will provide the applicant and the Agency with a copy of the Board’s order setting forth *the Board’s findings and certificate, if any.*” 35 Ill. Adm. Code 125.216(d) (quoting in italics 35 ILCS 200/11-30 (2012)). The Clerk therefore will provide Marathon and the Agency with a copy of this order.

IT IS SO ORDERED.

Section 11-60 of the Property Tax Code provides that any applicant or holder aggrieved by the issuance, refusal to issue, denial, revocation, modification or restriction of a pollution control certificate or a low sulfur dioxide emission coal fueled device certificate may appeal the Board’s finding and order to the Circuit Court under the Administrative Review Law (735 ILCS 5/3-101 *et seq.* (2012)). *See* 35 ILCS 200/11-60 (2012).

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<sup>1</sup> The Agency’s recommendation is cited as “Rec. at 1.”

I, John T. Therriault, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on February 5, 2015, by a vote of 4-0.

A handwritten signature in black ink that reads "John T. Therriault". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

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John T. Therriault, Clerk  
Illinois Pollution Control Board